Senate



General Assembly

File No. 792

January Session, 2011

Substitute Senate Bill No. 1006

Senate, May 11, 2011

The Committee on Finance, Revenue and Bonding reported through SEN. DAILY of the 33rd Dist., Chairperson of the Committee on the part of the Senate, that the substitute bill ought to pass.

AN ACT INCREASING CERTAIN BOND AUTHORIZATIONS FOR CAPITAL IMPROVEMENTS.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

- 1 Section 1. Subsections (a) and (b) of section 4-66c of the general
- 2 statutes are repealed and the following is substituted in lieu thereof
- 3 (Effective July 1, 2011):
- 4 (a) For the purposes of subsection (b) of this section, the State Bond
- 5 Commission shall have power, from time to time to authorize the
- 6 issuance of bonds of the state in one or more series and in principal
- 7 amounts not exceeding in the aggregate [one billion one hundred fifty-
- 8 nine million four hundred eighty-seven thousand five hundred forty-
- 9 four dollars] one billion two hundred fifty-nine million four hundred
- 10 <u>eighty-seven thousand five hundred forty-four dollars, provided fifty</u>
- 11 <u>million dollars of said authorization shall be effective July 1, 2012</u>. All
- 12 provisions of section 3-20, or the exercise of any right or power granted

13 thereby, which are not inconsistent with the provisions of this section,

are hereby adopted and shall apply to all bonds authorized by the State Bond Commission pursuant to this section, and temporary notes in anticipation of the money to be derived from the sale of any such bonds so authorized may be issued in accordance with said section 3-20 and from time to time renewed. Such bonds shall mature at such time or times not exceeding twenty years from their respective dates as may be provided in or pursuant to the resolution or resolutions of the State Bond Commission authorizing such bonds. None of said bonds shall be authorized except upon a finding by the State Bond Commission that there has been filed with it a request for such authorization, which is signed by or on behalf of the Secretary of the Office of Policy and Management and states such terms and conditions as said commission in its discretion may require. Said bonds issued pursuant to this section shall be general obligations of the state and the full faith and credit of the state of Connecticut are pledged for the payment of the principal of and interest on said bonds as the same become due, and accordingly as part of the contract of the state with the holders of said bonds, appropriation of all amounts necessary for punctual payment of such principal and interest is hereby made, and the Treasurer shall pay such principal and interest as the same become due.

(b) (1) The proceeds of the sale of said bonds, to the extent hereinafter stated, shall be used, subject to the provisions of subsections (c) and (d) of this section, for the purpose of redirecting, improving and expanding state activities which promote community conservation and development and improve the quality of life for urban residents of the state as hereinafter stated: (A) For the Department of Economic and Community Development: Economic and community development projects, including administrative costs incurred by the Department of Economic and Community Development, not exceeding sixty-seven million five hundred ninety-one thousand six hundred forty-two dollars, one million dollars of which shall be used for a grant to the development center program and the nonprofit business consortium deployment center approved pursuant to section 32-411; (B) for the Department of Transportation:

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Urban mass transit, not exceeding two million dollars; (C) for the Department of Environmental Protection: Recreation development and solid waste disposal projects, not exceeding one million nine hundred ninety-five thousand nine hundred two dollars; (D) for the Department of Social Services: Child day care projects, elderly centers, shelter facilities for victims of domestic violence, emergency shelters and related facilities for the homeless, multipurpose human resource centers and food distribution facilities, not exceeding thirty-nine million one hundred thousand dollars, provided four million dollars of said authorization shall be effective July 1, 1994; (E) for the Department of Economic and Community Development: Housing projects, not exceeding three million dollars; (F) for the Office of Policy and Management: (i) Grants-in-aid to municipalities for demonstration program to leverage private contributions redevelopment of designated historic preservation areas, exceeding one million dollars; (ii) grants-in-aid for urban development including economic and community projects development, transportation, environmental protection, public safety, children and families and social services projects and programs, including, in the case of economic and community development projects administered on behalf of the Office of Policy and Management by the Department of Economic and Community Development, administrative costs incurred by the Department of Economic and Community Development, not exceeding [one billion forty-four million eight hundred thousand dollars] one billion one hundred forty-four million eight hundred thousand dollars, provided fifty million dollars of said authorization shall be effective July 1, 2012.

(2) (A) Five million dollars of the grants-in-aid authorized in subparagraph (F)(ii) of subdivision (1) of this subsection may be made available to private nonprofit organizations for the purposes described in said subparagraph (F)(ii). (B) Twelve million dollars of the grants-in-aid authorized in subparagraph (F)(ii) of subdivision (1) of this subsection may be made available for necessary renovations and improvements of libraries. (C) Five million dollars of the grants-in-aid authorized in subparagraph (F)(ii) of subdivision (1) of this subsection

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84 shall be made available for small business gap financing. (D) Ten 85 million dollars of the grants-in-aid authorized in subparagraph (F)(ii) 86 of subdivision (1) of this subsection may be made available for regional 87 economic development revolving loan funds. (E) One million four 88 hundred thousand dollars of the grants-in-aid authorized in 89 subparagraph (F)(ii) of subdivision (1) of this subsection shall be made 90 available for rehabilitation and renovation of the Black Rock Library in 91 Bridgeport. (F) Two million five hundred thousand dollars of the 92 grants-in-aid authorized in subparagraph (F)(ii) of subdivision (1) of 93 this subsection shall be made available for site acquisition, renovation 94 and rehabilitation for the Institute for the Hispanic Family in Hartford. 95 (G) Three million dollars of the grants-in-aid authorized in 96 subparagraph (F)(ii) of subdivision (1) of this subsection shall be made 97 available for the acquisition of land and the development of 98 commercial or retail property in New Haven. (H) Seven hundred fifty 99 thousand dollars of the grants-in-aid authorized in subparagraph 100 (F)(ii) of subdivision (1) of this subsection shall be made available for 101 repairs and replacement of the fishing pier at Cummings Park in 102 Stamford.

- Sec. 2. Subsection (a) of section 4-66g of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July* 105 1, 2011):
- (a) For the purposes described in subsection (b) of this section, the State Bond Commission shall have the power, from time to time, to authorize the issuance of bonds of the state in one or more series and in principal amounts not exceeding in the aggregate [one hundred eighty million] two hundred twenty million dollars, provided twenty million dollars of said authorization shall be effective July 1, [2010] 2012.
- 113 Sec. 3. Subsection (a) of section 4a-10 of the general statutes is 114 repealed and the following is substituted in lieu thereof (*Effective July* 115 1, 2011):
- 116 (a) For the purposes described in subsection (b) of this section, the

117 State Bond Commission shall have the power, from time to time to

- authorize the issuance of bonds of the state in one or more series and
- in principal amounts not exceeding in the aggregate [three hundred
- 120 sixty-four million two hundred thousand dollars] three hundred
- 121 eighty-seven million one hundred thousand dollars, provided twenty-
- two million nine hundred thousand dollars of said authorization shall
- 123 <u>be effective July 1, 2012</u>.
- Sec. 4. Subsection (a) of section 7-538 of the general statutes is
- repealed and the following is substituted in lieu thereof (Effective July
- 126 1, 2011):
- 127 (a) For the purposes described in subsection (b) of this section, the
- 128 State Bond Commission shall have the power, from time to time, to
- authorize the issuance of bonds of the state in one or more series and
- in principal amounts not exceeding in the aggregate [six hundred
- forty-five million seven hundred five million dollars, provided thirty
- million dollars of said authorization shall be effective July 1, [2010]
- 133 <u>2012</u>.
- Sec. 5. Section 10-287d of the general statutes is repealed and the
- following is substituted in lieu thereof (*Effective July 1, 2011*):
- For the purposes of funding (1) grants to projects that have received
- approval of the [State Board of Education] <u>Department of Construction</u>
- 138 Services pursuant to sections 10-287 and 10-287a, subsection (a) of
- 139 section 10-65 and section 10-76e, (2) grants to assist school building
- 140 projects to remedy safety and health violations and damage from fire
- 141 and catastrophe, and (3) regional vocational-technical school projects
- 142 pursuant to section 10-283b, the State Treasurer is authorized and
- directed, subject to and in accordance with the provisions of section 3-
- 144 20, to issue bonds of the state from time to time in one or more series in
- an aggregate amount not exceeding [eight billion thirty-eight million
- 146 nine hundred sixty thousand] nine billion one hundred forty-five
- 147 <u>million nine hundred sixty thousand</u> dollars, provided [six hundred
- 148 thirty million four hundred thousand] five hundred eighty-four
- 149 <u>million</u> dollars of said authorization shall be effective July 1, [2010]

2012. Bonds of each series shall bear such date or dates and mature at such time or times not exceeding thirty years from their respective dates and be subject to such redemption privileges, with or without premium, as may be fixed by the State Bond Commission. They shall be sold at not less than par and accrued interest and the full faith and credit of the state is pledged for the payment of the interest thereon and the principal thereof as the same shall become due, and accordingly and as part of the contract of the state with the holders of said bonds, appropriation of all amounts necessary for punctual payment of such principal and interest is hereby made, and the State Treasurer shall pay such principal and interest as the same become due. The State Treasurer is authorized to invest temporarily in direct obligations of the United States, United States agency obligations, certificates of deposit, commercial paper or bank acceptances such portion of the proceeds of such bonds or of any notes issued in anticipation thereof as may be deemed available for such purpose.

Sec. 6. Section 10-292k of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2011*):

For purposes of funding interest subsidy grants, except for interest subsidy grants made pursuant to subsection (b) of section 10-292m, the State Treasurer is authorized and directed, subject to and in accordance with the provisions of section 3-20, to issue bonds of the state from time to time in one or more series in an aggregate amount not exceeding [three hundred thirty-four million seven hundred thousand] three hundred fifty-six million four hundred thousand dollars, provided [eleven million two hundred thousand] eight million three hundred thousand dollars of said authorization shall be effective July 1, [2010] 2012. Bonds of each series shall bear such date or dates and mature at such time or times not exceeding thirty years from their respective dates and be subject to such redemption privileges, with or without premium, as may be fixed by the State Bond Commission. They shall be sold at not less than par and accrued interest and the full faith and credit of the state is pledged for the payment of the interest thereon and the principal thereof as the same shall become due, and

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184 accordingly and as part of the contract of the state with the holders of 185 said bonds, appropriation of all amounts necessary for punctual 186 payment of such principal and interest is hereby made, and the State 187 Treasurer shall pay such principal and interest as the same become 188 due. The State Treasurer is authorized to invest temporarily in direct 189 obligations of the United States, United States agency obligations, 190 certificates of deposit, commercial paper or bank acceptances, such 191 portion of the proceeds of such bonds or of any notes issued in 192 anticipation thereof as may be deemed available for such purpose.

- Sec. 7. Subsection (a) of section 10a-91d of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July* 1, 2011):
 - (a) It is hereby determined and found to be in the best interest of this state and the system to establish CSUS 2020 as the efficient and cost-effective course to achieve the objective of renewing, modernizing, enhancing, expanding, acquiring and maintaining the infrastructure of the system, the particular project or projects, each being hereby approved as a project of CSUS 2020, and the presently estimated cost thereof being as follows:

T1		Phase I	Phase II	Phase III
T2		Fiscal Years	Fiscal Years	Fiscal Years
T3		Ending	Ending	Ending
T4		June 30,	June 30,	June 30,
T5		2009-2011	2012-2014	2015-2018
T6	Central Connecticut State			
T7	University			
T8	Code Compliance/			
Т9	Infrastructure Improvements	18,146,445	6,704,000	5,000,000
T10	Renovate/Expand Willard			
T11	and DiLoreto Halls			
T12	(design/construction)		57,737,000	
T13	Renovate/Expand Willard and			

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T14	DiLoreto Halls			
T15	(equipment)			3,348,000
T16	New Classroom Office Building	33,978,000		
T17	East Campus Infrastructure			
T18	Development	13,244,000		
T19	Burritt Library Expansion			
T20	(design/construction)			96,262,000
T21	Burritt Library Renovation			
T22	(design)			11,387,000
T23	New Maintenance/Salt Shed			
T24	Facility	2,503,000		
T25	Eastern Connecticut State			
T26	University			
T27	Code Compliance/			
T28	Infrastructure Improvements	8,255,113	5,825,000	5,000,000
T29	Fine Arts Instructional Center	4		
T30	(design)	12,000,000		
T31	Fine Arts Instructional Center		5 4 5 5 (000	
T32	(construction)		71,556,000	
T33	Fine Arts Instructional Center			4.4.
T34	(equipment)			4,115,000
T35	Goddard Hall Renovation		10.220.000	
T36	(design/construction)		19,239,000	
T37	Goddard Hall Renovation			1 005 000
T38	(equipment)			1,095,000
T39	Sports Center Addition and			11 040 000
T40	Renovation (design)			11,048,000
T41	Outdoor Track - Phase II	1,816,000		
T42	Athletic Support Building	1,921,000		

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New Warehouse	2,269,000		
Southern Connecticut State			
University			
Code Compliance/			
Infrastructure Improvements	[21,860,500]	8,637,000	5,000,000
	16,955,915		
New Academic Laboratory			
Building/Parking Garage			
(construct garage,			
design academic laboratory			
building, demolish Seabury	F00 40 (000]		
Hall)	[20,426,000]		
	8,944,000		
New Academic Laboratory			
Building/Parking Garage			
(construct academic laboratory		. . . -	
building)		63,171,000	
Health and Human Services			
Building			60,412,000
Additions and Renovations to			
Buley Library	<u>16,386,585</u>		
Fine Arts Instructional Center			70,929,000
Western Connecticut State			
University			
Code Compliance/			
Infrastructure Improvements	7,658,330	4,323,000	7,212,000
Fine Arts Instructional Center			
(construction)	80,605,000		
Fine Arts Instructional Center			
(equipment)		4,666,000	
Higgins Hall Renovations			
The strait relievations			

T74	(design)		2,982,000	
T75 T76	Higgins Hall Renovations (construction/equipment)			31,594,000
T77 T78	Berkshire Hall Renovations (design)			4,797,000
T79 T80	University Police Department Building (design)	500,000		
T81 T82	University Police Department Building (construction)		4,245,000	
T83 T84	Midtown Campus Mini-Chiller Plant			1,957,000
T85 T86	State University System New and Replacement			
T87	Equipment	26,895,000	14,500,000	31,844,000
T88 T89	Alterations/Improvements: Auxiliary Service Facilities	18,672,422	15,000,000	20,000,000
T90 T91	Telecommunications Infrastructure Upgrade	10,000,000	3,415,000	5,000,000
T92	Land and Property Acquisition	4,250,190	3,000,000	4,000,000
T93 T94	Totals	285,000,000	285,000,000	380,000,000
203204205	Sec. 8. Subsection (b) of section repealed and the following is sull 1, 2011):		O	
206	(b) The proceeds of the sale	of said bond	ds, to the ext	tent of the
207	amount stated in subsection (a)	of this sectio	n, shall be u	sed by the
208	Department of [Public Works] <u>E</u>			
209	for the purpose of funding [the net project costs, or the balance of any			
210	projects after applying any pu	_		
211 212	available, for] any energy service efficiency measures in state build	- 1		
414	- Included in State Built	ango parsua	iii to beetion	104 001, 01

213 <u>for any renewable energy or combined heat and power project in state</u>

- 214 <u>buildings</u>.
- Sec. 9. Subsection (b) of section 16a-38o of the general statutes is
- 216 repealed and the following is substituted in lieu thereof (Effective July
- 217 1, 2011):
- 218 (b) The proceeds of the sale of said bonds, to the extent of the
- amount stated in subsection (a) of this section, shall be used by the
- 220 Department of [Public Utility Control] Energy and Environmental
- 221 Protection for the purpose of [the grant program established in section
- 222 16a-38n] <u>funding any energy services project that results in increased</u>
- 223 <u>efficiency measures in state buildings pursuant to section 16a-38l, or</u>
- 224 <u>for any renewable energy or combined heat and power project in state</u>
- buildings.
- Sec. 10. Subsection (b) of section 16a-38p of the general statutes is
- repealed and the following is substituted in lieu thereof (Effective July
- 228 1, 2011):
- (b) The proceeds of the sale of said bonds, to the extent of the
- amount stated in subsection (a) of this section, shall be used by
- [Connecticut Innovations, Incorporated] the Department of Energy
- 232 <u>and Environmental Protection</u>, for the purpose of funding [the net
- 233 project costs, or the balance of any projects after applying any public or
- private financial incentives available, for any renewable energy or
- combined heat and power projects in state buildings. The funds shall
- be made available through the Renewable Energy Investment Fund,
- established pursuant to section 16-245n. Eligible state buildings shall
- be Leadership in Energy and Environmental Design (LEED) certified
- or in the process of becoming LEED certified or in the process of becoming LEED silver rating certified or receive a two-globe rating in
- the green Globes USA design program or in the process of receiving a
- two-globe rating in the Green Globes USA design program] any
- 243 energy services project that results in increased efficiency measures in
- 244 <u>state buildings pursuant to section 16a-38l, or for any renewable</u>
- 245 <u>energy or combined heat and power project in state buildings.</u>

Sec. 11. Section 22-26hh of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2011*):

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The State Bond Commission shall have power, from time to time, to authorize the issuance of bonds of the state in one or more series and in principal amounts not exceeding in the aggregate [one hundred thirty million two hundred fifty thousand one hundred fifty million two hundred fifty thousand dollars, the proceeds of which shall be used for the purposes of section 22-26cc, provided not more than ten million dollars of said authorization shall be effective July 1, [2010] 2012, and further provided not more than two million dollars shall be used for the purposes of section 22-26jj. All provisions of section 3-20, or the exercise of any right or power granted thereby which are not inconsistent with the provisions of this section are hereby adopted and shall apply to all bonds authorized by the State Bond Commission pursuant to this section, and temporary notes in anticipation of the money to be derived from the sale of any such bonds so authorized may be issued in accordance with said section 3-20 and from time to time renewed. Such bonds shall mature at such time or times not exceeding twenty years from their respective dates as may be provided in or pursuant to the resolution or resolutions of the State Bond Commission authorizing such bonds. None of said bonds shall be authorized except upon a finding by the State Bond Commission that there has been filed with it a request for such authorization, which is signed by or on behalf of the Secretary of the Office of Policy and Management and states such terms and conditions as said commission, in its discretion, may require. Said bonds issued pursuant to this section shall be general obligations of the state and the full faith and credit of the state of Connecticut are pledged for the payment of the principal of and interest on said bonds as the same become due, and accordingly and as part of the contract of the state with the holders of said bonds, appropriation of all amounts necessary for punctual payment of such principal and interest is hereby made, and the Treasurer shall pay such principal and interest as the same become due.

Sec. 12. Subsection (a) of section 22a-483 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July* 1, 2011):

- (a) For the purposes of sections 22a-475 to 22a-483, inclusive, the State Bond Commission shall have the power, from time to time to authorize the issuance of bonds of the state in one or more series and in principal amounts, not exceeding in the aggregate [one billion forty-one million twenty-five thousand nine hundred seventy-six dollars] one billion two hundred twenty-seven million six hundred twenty-five thousand nine hundred seventy-six dollars, provided ninety-four million dollars of said authorization shall be effective July 1, 2012.
- Sec. 13. Subsection (d) of section 22a-483 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July* 1, 2011):
 - (d) Notwithstanding the foregoing, nothing herein shall preclude the State Bond Commission from authorizing the issuance of revenue bonds, in principal amounts not exceeding in the aggregate [one billion nine hundred fifty-three million four hundred thousand] two billion four hundred twenty-five million one hundred eighty thousand dollars, provided [one hundred twenty million] two hundred thirtyeight million three hundred sixty thousand dollars of said authorization shall be effective July 1, [2010] 2012, that are not general obligations of the state of Connecticut to which the full faith and credit of the state of Connecticut are pledged for the payment of the principal and interest. Such revenue bonds shall mature at such time or times not exceeding thirty years from their respective dates as may be provided in or pursuant to the resolution or resolutions of the State Bond Commission authorizing such revenue bonds. The revenue bonds, revenue state bond anticipation notes and revenue state grant anticipation notes authorized to be issued under sections 22a-475 to 22a-483, inclusive, shall be special obligations of the state and shall not be payable from nor charged upon any funds other than the revenues or other receipts, funds or moneys pledged therefor as provided in

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said sections 22a-475 to 22a-483, inclusive, including the repayment of municipal loan obligations; nor shall the state or any political subdivision thereof be subject to any liability thereon except to the extent of such pledged revenues or the receipts, funds or moneys pledged therefor as provided in said sections 22a-475 to 22a-483, inclusive. The issuance of revenue bonds, revenue state bond anticipation notes and revenue state grant anticipation notes under the provisions of said sections 22a-475 to 22a-483, inclusive, shall not directly or indirectly or contingently obligate the state or any political subdivision thereof to levy or to pledge any form of taxation whatever therefor or to make any appropriation for their payment. The revenue bonds, revenue state bond anticipation notes and revenue state grant anticipation notes shall not constitute a charge, lien or encumbrance, legal or equitable, upon any property of the state or of any political subdivision thereof, except the property mortgaged or otherwise encumbered under the provisions and for the purposes of said sections 22a-475 to 22a-483, inclusive. The substance of such limitation shall be plainly stated on the face of each revenue bond, revenue state bond anticipation note and revenue state grant anticipation note issued pursuant to said sections 22a-475 to 22a-483, inclusive, shall not be subject to any statutory limitation on the indebtedness of the state and such revenue bonds, revenue state bond anticipation notes and revenue state grant anticipation notes, when issued, shall not be included in computing the aggregate indebtedness of the state in respect to and to the extent of any such limitation. As part of the contract of the state with the owners of such revenue bonds, revenue state bond anticipation notes and revenue state grant anticipation notes, all amounts necessary for the punctual payment of the debt service requirements with respect to such revenue bonds, revenue state bond anticipation notes and revenue state grant anticipation notes shall be deemed appropriated, but only from the sources pledged pursuant to said sections 22a-475 to 22a-483, inclusive. The proceeds of such revenue bonds or notes may be deposited in the Clean Water Fund for use in accordance with the permitted uses of such fund. Any expense incurred in connection with the carrying out

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348 of the provisions of this section, including the costs of issuance of 349 revenue bonds, revenue state bond anticipation notes and revenue 350 state grant anticipation notes may be paid from the accrued interest 351 and premiums or from any other proceeds of the sale of such revenue 352 bonds, revenue state bond anticipation notes or revenue state grant 353 anticipation notes and in the same manner as other obligations of the 354 state. All provisions of subsections (g), (k), (l), (s) and (u) of section 355 3-20 or the exercise of any right or power granted thereby which are 356 not inconsistent with the provisions of said sections 22a-475 to 22a-483, 357 inclusive, are hereby adopted and shall apply to all revenue bonds, 358 state revenue bond anticipation notes and state revenue grant 359 anticipation notes authorized by the State Bond Commission pursuant 360 to said sections 22a-475 to 22a-483, inclusive. For the purposes of 361 subsection (o) of section 3-20, "bond act" shall be construed to include 362 said sections 22a-475 to 22a-483, inclusive.

- Sec. 14. Subsection (a) of section 32-235 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July* 1, 2011):
- 366 (a) For the purposes described in subsection (b) of this section, the 367 State Bond Commission shall have the power, from time to time to 368 authorize the issuance of bonds of the state in one or more series and 369 in principal amounts not exceeding in the aggregate [five hundred 370 ninety-five million three hundred thousand] six hundred seventy-five 371 million three hundred thousand dollars, provided [forty-five million] 372 forty million dollars of said authorization shall be effective July 1, 373 [2008] 2012.
 - Sec. 15. (NEW) (*Effective July 1, 2011*) (a) For the purposes described in subsection (b) of this section, the State Bond Commission shall have the power, from time to time, to authorize the issuance of bonds of the state in one or more series and in principal amounts not exceeding in the aggregate twenty million dollars, provided ten million dollars of said authorization shall be effective July 1, 2012.
- (b) The proceeds of the sale of said bonds, to the extent of the

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amount stated in subsection (a) of this section, shall be used by the Secretary of the Office of Policy and Management for the purpose of providing grants-in-aid under the intertown capital equipment purchase incentive program established pursuant to subsection (c) of this section.

- (c) (1) There is established an intertown capital equipment purchase incentive program to provide grants to municipalities to jointly acquire, on and after October 1, 2011, by purchase or by lease, equipment and vehicles necessary to the performance or delivery of a required governmental function or service.
- (2) Grant funds may be used for acquisition costs of (A) equipment with an anticipated remaining useful life of not less than five years from the date of purchase or entry into a lease, including, but not limited to, data processing equipment that has a unit price of less than one thousand dollars, that a municipality uses in the performance or delivery of a required governmental function or service, and (B) a maintenance vehicle, pick-up truck, tractor, truck tractor or utility trailer, as each said term is defined in section 14-1 of the general statutes, or any other similar type of vehicle that a municipality uses in the performance or delivery of a required governmental function or service. Each grant shall be not more than fifty per cent of the total acquisition cost of such equipment or vehicle, or two hundred fifty thousand dollars, whichever is less.
- (3) Not later than September 1, 2011, the Secretary of the Office of Policy and Management shall develop guidelines to establish (A) the procedures to apply for and the administration of the intertown capital equipment purchase incentive program, (B) criteria for the expenditure of grant funds and the method of allocation of a grant among the municipalities that jointly acquire or lease equipment or a vehicle set forth in subdivision (2) of this subsection, and (C) prioritization for the awarding of grants pursuant to this section, including, but not limited to, any limits in a given time frame on (i) the number of times a municipality may apply, or (ii) the dollar amount of grant funds a

414 municipality may receive, pursuant to this section.

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(4) Not later than October 1, 2011, and annually thereafter, the Secretary of the Office of Policy and Management shall publish a notice of grant availability and solicit proposals for funding under the capital equipment purchase incentive intertown program. Municipalities eligible for such funding pursuant to the guidelines developed under subdivision (3) of this subsection may file applications for such funding at such times and in such manner as the secretary prescribes. The secretary shall review all grant applications and make determinations as to which acquisitions to fund and the amount of grants to be awarded in accordance with the guidelines developed under subdivision (3) of this subsection.

(d) All provisions of section 3-20, or the exercise of any right or power granted thereby, which are not inconsistent with the provisions of this section are hereby adopted and shall apply to all bonds authorized by the State Bond Commission pursuant to this section, and temporary notes in anticipation of the money to be derived from the sale of any such bonds so authorized may be issued in accordance with said section 3-20 and from time to time renewed. Such bonds shall mature at such time or times not exceeding twenty years from their respective dates as may be provided in or pursuant to the resolution or resolutions of the State Bond Commission authorizing such bonds. None of said bonds shall be authorized except upon a finding by the State Bond Commission that there has been filed with it a request for such authorization which is signed by or on behalf of the Secretary of the Office of Policy and Management and states such terms and conditions as said commission, in its discretion, may require. Said bonds issued pursuant to this section shall be general obligations of the state and the full faith and credit of the state of Connecticut are pledged for the payment of the principal of and interest on said bonds as the same become due, and accordingly and as part of the contract of the state with the holders of said bonds, appropriation of all amounts necessary for punctual payment of such principal and interest is hereby made, and the State Treasurer shall pay such principal and

- 448 interest as the same become due.
- Sec. 16. Subsection (c) of section 2 of special act 02-1 of the May 9
- special session is amended to read as follows (*Effective July 1, 2012*):
- For the [Department of Public Works] Department of Construction
- 452 <u>Services</u>: Various security improvements, not exceeding \$3,000,000.
- Sec. 17. Subsection (d) of section 2 of special act 04-2 of the May
- 454 special session, as amended by section 92 of special act 05-1 of the June
- special session, is amended to read as follows (*Effective July 1, 2012*):
- For the [Department of Public Works] <u>Department of Construction</u>
- 457 <u>Services</u>:
- 458 (1) Removal or encapsulation of asbestos in state-owned buildings,
- 459 not exceeding \$5,000,000;
- 460 (2) Infrastructure repairs and improvements, including fire, safety
- 461 and compliance with the Americans with Disabilities Act,
- 462 improvements to state-owned buildings and grounds, including
- 463 energy conservation and off-site improvements, and preservation of
- 464 unoccupied buildings and grounds, including office development,
- 465 acquisition and renovations for additional parking, not exceeding
- 466 \$4,000,000;
- 467 (3) Notwithstanding the provisions of section 4b-1 of the general
- statutes, capital construction, improvements, repairs, renovations and
- land acquisition at Fire Training Schools, not exceeding \$10,000,000.
- Sec. 18. Subsection (e) of section 2 of public act 07-7 of the June
- 471 special session, as amended by section 216 of public act 10-44, is
- amended to read as follows (*Effective July 1, 2012*):
- For the [Department of Information Technology] Department of
- 474 Administrative Services:
- 475 (1) Development and implementation of the Connecticut Education
- 476 Network, not exceeding \$4,100,000;

- 477 (2) Planning and design of a data center, not exceeding \$2,500,000;
- 478 (3) Development and implementation of information technology
- 479 systems for compliance with the Health Insurance Portability and
- 480 Accountability Act, not exceeding \$6,310,500.
- Sec. 19. Subsection (g) of section 2 of public act 07-7 of the June
- 482 special session, as amended by section 218 of public act 10-44, is
- amended to read as follows (*Effective July 1, 2012*):
- For the [Department of Public Works] Department of Construction
- 485 Services:
- 486 (1) Infrastructure repairs and improvements, including fire, safety
- 487 and compliance with the Americans with Disabilities Act
- 488 improvements to state-owned buildings and grounds, energy
- 489 conservation and off-site improvements, and preservation of
- 490 unoccupied buildings and grounds, including office development,
- 491 acquisition, renovations for additional parking and security
- improvements, not exceeding \$8,000,000;
- 493 (2) Capital construction, improvements, repairs, renovations and
- land acquisition at fire training schools, not exceeding \$8,000,000;
- 495 (3) Removal or encapsulation of asbestos in state-owned buildings,
- 496 not exceeding \$5,000,000;
- 497 (4) Development and implementation of a plan to reduce the
- 498 number of state-owned and leased surface parking lots in Hartford,
- 499 not exceeding \$200,000.
- Sec. 20. Subsection (c) of section 21 of public act 07-7 of the June
- special session is amended to read as follows (*Effective July 1, 2012*):
- For the [Department of Information Technology] Department of
- 503 <u>Administrative Services</u>: Development and implementation of
- 504 information technology systems for compliance with the Health
- Insurance Portability and Accountability Act, not exceeding \$6,310,500.

Sec. 21. Subsection (e) of section 21 of public act 07-7 of the June special session, as amended by section 316 of public act 10-44, is amended to read as follows (*Effective July 1, 2012*):

- For the [Department of Public Works] <u>Department of Construction</u>
 510 Services:
- 511 (1) Removal or encapsulation of asbestos in state-owned buildings, 512 not exceeding \$5,000,000;
- (2) Infrastructure repairs and improvements, including fire, safety and compliance with the Americans with Disabilities Act improvements, improvements to state-owned buildings and grounds, including energy conservation and off-site improvements, and preservation of unoccupied buildings and grounds, including office development, acquisition, renovations for additional parking and security improvements, not exceeding \$5,000,000;
- 520 (3) Capital construction, improvements, repairs, renovations and land acquisition at fire training schools, not exceeding \$8,000,000.
- Sec. 22. Subsection (b) of section 42 of public act 09-2 of the September special session is amended to read as follows (*Effective July* 1, 2012):
- For the [Department of Public Works] <u>Department of Construction</u>
 Services: Removal or encapsulation of asbestos in state-owned buildings, not exceeding \$2,500,000.
- Sec. 23. Section 1 of special act 01-2 of the June special session, as amended by section 5 of special act 01-1 of the November 15 special session, section 74 of special act 02-1 of the May 9 special session, section 94 of special act 04-2 of the May special session, section 123 of public act 07-7 of the June special session and section 83 of public act 10-44, is amended to read as follows (*Effective July 1, 2011*):
- The State Bond Commission shall have power, in accordance with the provisions of sections 1 to 7, inclusive, of special act 01-2 of the

June special session, from time to time to authorize the issuance of

- 537 bonds of the state in one or more series and in principal amounts in the
- 538 aggregate, not exceeding [\$479,604,195] <u>\$478,973,945</u>.
- Sec. 24. Subsection (e) of section 2 of special act 01-2 of the June
- special session, as amended by section 78 of special act 02-1 of the May
- 9 special session and section 96 of special act 04-2 of the May special
- session, is amended to read as follows (*Effective July 1, 2011*):
- Development of a new Public Health Laboratory, <u>or for a laboratory</u>
- 544 addition for the Department of Energy and Environmental Protection
- 545 <u>in Windsor</u>, including acquisition, not exceeding [\$5,000,000]
- 546 \$4,369,750.
- Sec. 25. Section 9 of special act 05-1 of the June special session, as
- 548 amended by section 346 of public act 10-44, is amended to read as
- 549 follows (*Effective July 1, 2011*):
- The proceeds of the sale of said bonds shall be used by the
- 551 Department of Economic and Community Development for the
- 552 purposes hereinafter stated: Housing development and rehabilitation,
- 553 including moderate cost housing, moderate rental, congregate and
- 554 elderly housing, urban homesteading, community housing
- 555 development corporations, housing purchase and rehabilitation,
- 556 housing for the homeless, housing for low income persons, limited
- 557 equity cooperatives and mutual housing projects, abatement of
- 558 hazardous material including asbestos and lead-based paint in
- residential structures, emergency repair assistance for senior citizens,
- 560 housing land bank and land trust, housing and community
- development, predevelopment grants and loans, reimbursement for
- state and federal surplus property, private rental investment mortgage
- and equity program, housing infrastructure, demolition, renovation or
- 564 redevelopment of vacant buildings or related infrastructure, septic
- 565 system repair loan program, acquisition and related rehabilitation
- 566 including loan guarantees for private developers of rental housing for
- 567 the elderly, projects under the program established in section 21 of
- 568 public act 01-7 of the June special session, and participation in federal

569 programs, including administrative expenses associated with those 570 programs eligible under the general statutes, not exceeding 571 \$21,000,000, provided: (1) \$12,000,000 may be made available to 572 finance renovations, with priority given to health and safety, 573 modernization and restructuring of state moderate rental family and 574 elderly housing developments and comparable projects, provided (A) 575 \$8,000,000 of said \$12,000,000 may be used for said purposes in the five 576 municipalities with the highest number of state moderate rental 577 housing units on the Connecticut Housing Finance Authority's State 578 Housing Portfolio as of January 1, 2005, (B) the planning requirements 579 of sections 35 and 36 of public act 03-6 of the June special session have 580 been met, (C) \$2,000,000 may be used for said purposes in other 581 municipalities, and (D) \$2,000,000 may be used for said purposes at 582 state-owned elderly housing units located in any municipality; (2) 583 \$800,000 shall be made available for renovations to a facility for the 584 Friendship Service Center and Homeless Shelter in New Britain; and 585 (3) \$15,000,000 may be made available for the Pinnacle Heights 586 Extension and Corbin Heights [Extension] housing development 587 projects in New Britain.

- Sec. 26. Section 1 of public act 07-7 of the June special session, as amended by section 211 of public act 10-44, is amended to read as follows (*Effective July 1, 2011*):
- The State Bond Commission shall have power, in accordance with the provisions of sections 1 to 7, inclusive, of public act 07-7 of the June special session, from time to time to authorize the issuance of bonds of the state in one or more series and in principal amounts in the aggregate, not exceeding [\$335,828,850] <u>\$333,613,150</u>.
- Sec. 27. Subsection (o) of section 2 of public act 07-7 of the June special session, as amended by section 226 of public act 10-44, is amended to read as follows (*Effective July 1, 2011*):
- For the Department of Public Health: Development of a new public health laboratory and related costs, not exceeding [\$32,785,900] \$30,570,200.

602 Sec. 28. Section 28 of public act 07-7 of the June special session is 603 amended to read as follows (*Effective July 1, 2011*):

604 The proceeds of the sale of said bonds shall be used by the Department of Economic and Community Development for the 606 purposes hereinafter stated: Housing development and rehabilitation, 607 including moderate cost housing, moderate rental, congregate and 608 homesteading, elderly housing, urban community housing 609 development corporations, housing purchase and rehabilitation, 610 housing for the homeless, housing for low income persons, limited equity cooperatives and mutual housing projects, abatement of 612 hazardous material including asbestos and lead-based paint in 613 residential structures, emergency repair assistance for senior citizens, 614 housing land bank and land trust, housing and community 615 development, predevelopment grants and loans, reimbursement for 616 state and federal surplus property, private rental investment mortgage 617 and equity program, housing infrastructure, demolition, renovation or 618 redevelopment of vacant buildings or related infrastructure, septic 619 system repair loan program, acquisition and related rehabilitation 620 including loan guarantees for private developers of rental housing for the elderly, projects under the program established in section 8-37pp of 622 the general statutes, and participation in federal programs, including 623 administrative expenses associated with those programs eligible under 624 the general statutes, not exceeding [\$9,000,000] \$10,000,000.

625 Sec. 29. Subsection (a) of section 34 of public act 09-2 of the 626 September special session is amended to read as follows (Effective July 627 1, 2011):

For the Department of Environmental Protection: Grants-in-aid, not exceeding \$16,000,000, (1) for containment, removal or mitigation of identified hazardous waste disposal sites and to municipalities for new water mains to replace water supplied from contaminated wells, (2) for identification, investigation, containment, removal or mitigation of contaminated industrial sites in urban areas, (3) to municipalities for acquisition of land, for public parks, recreational and water quality

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improvements, water mains and water pollution control facilities, including sewer projects, (4) to municipalities for the purpose of providing potable water, and (5) to state agencies, regional planning agencies and municipalities for water pollution control projects.

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Sec. 30. Subdivision (3) of subsection (e) of section 42 of public act 09-2 of the September special session is amended to read as follows (Effective July 1, 2011):

At Northwestern Community College: Site remediation, <u>acquisition</u> of <u>property</u>, design and construction for a replacement for the Joyner Building, not exceeding \$1,633,611.

Sec. 31. Section 16a-38n of the general statutes is repealed. (*Effective July 1, 2011*)

This act sha sections:	all take effect as follow	ws and shall amend the following
Section 1	July 1, 2011	4-66c(a) and (b)
Sec. 2	July 1, 2011	4-66g(a)
Sec. 3	July 1, 2011	4a-10(a)
Sec. 4	July 1, 2011	7-538(a)
Sec. 5	July 1, 2011	10-287d
Sec. 6	July 1, 2011	10-292k
Sec. 7	July 1, 2011	10a-91d(a)
Sec. 8	July 1, 2011	16a-38m(b)
Sec. 9	July 1, 2011	16a-38o(b)
Sec. 10	July 1, 2011	16a-38p(b)
Sec. 11	July 1, 2011	22-26hh
Sec. 12	July 1, 2011	22a-483(a)
Sec. 13	July 1, 2011	22a-483(d)
Sec. 14	July 1, 2011	32-235(a)
Sec. 15	July 1, 2011	New section
Sec. 16	July 1, 2012	SA 02-1 of the May 9 Sp.
		Sess., Sec. 2(c)
Sec. 17	July 1, 2012	SA 04-2 of the May Sp.
		Sess., Sec. 2(d)
Sec. 18	July 1, 2012	PA 07-7 of the June Sp.
		Sess., Sec. 2(e)

Sec. 19	July 1, 2012	PA 07-7 of the June Sp.
		Sess., Sec. 2(g)
Sec. 20	July 1, 2012	PA 07-7 of the June Sp.
		Sess., Sec. 21(c)
Sec. 21	July 1, 2012	PA 07-7 of the June Sp.
		Sess., Sec. 21(e)
Sec. 22	July 1, 2012	PA 09-2 of the
		September Sp. Sess., Sec.
		42(b)
Sec. 23	July 1, 2011	SA 01-2 of the June Sp.
		Sess., Sec. 1
Sec. 24	July 1, 2011	SA 01-2 of the June Sp.
		Sess., Sec. 2(e)
Sec. 25	July 1, 2011	SA 05-1 of the June Sp.
		Sess., Sec. 9
Sec. 26	July 1, 2011	PA 07-7 of the June Sp.
		Sess., Sec. 1
Sec. 27	July 1, 2011	PA 07-7 of the June Sp.
		Sess., Sec. 2(o)
Sec. 28	July 1, 2011	PA 07-7 of the June Sp.
		Sess., Sec. 28
Sec. 29	July 1, 2011	PA 09-2 of the
		September Sp. Sess., Sec.
		34(a)
Sec. 30	July 1, 2011	PA 09-2 of the
		September Sp. Sess., Sec.
		42(e)
Sec. 31	July 1, 2011	Repealer section

Statement of Legislative Commissioners:

The sections that change "Department of Public Works" to "Department of Construction Services" have been moved from sSB 1008 to sSB 1006, for proper placement of the sections.

FIN Joint Favorable Subst.

The following Fiscal Impact Statement and Bill Analysis are prepared for the benefit of the members of the General Assembly, solely for purposes of information, summarization and explanation and do not represent the intent of the General Assembly or either chamber thereof for any purpose. In general, fiscal impacts are based upon a variety of informational sources, including the analyst's professional knowledge. Whenever applicable, agency data is consulted as part of the analysis, however final products do not necessarily reflect an assessment from any specific department.

OFA Fiscal Note

State Impact:

Agency Affected	Fund-Effect	FY 12 \$	FY 13 \$
Treasurer, Debt Serv.	GF - Cost	See Below	See Below

Note: GF=General Fund

Municipal Impact:

Municipalities	Effect	FY 12 \$	FY 13 \$
Various Municipalities	Revenue Gain	See Below	See Below

Explanation

The bill authorizes: (1) \$789.0 million in General Obligation (GO) bonds and cancels \$2.8 million in FY 12, for a net increase of \$786.2 million and (2) \$869.2 million in GO bonds in FY 13. The total General Fund debt service cost for principal and interest payments to bond \$789.0 million over 20 years assuming a 5.0% interest rate, is \$1.2 billion (comprised of \$414.2 million in interest and \$789.0 in principal). The debt service cost to bond \$869.2 million over 20 years assuming a 5.0% interest rate, is \$1.3 billion (comprised of \$456.3 million in interest and \$869.2 in principal). The first year that the state will experience costs associated with the bonds depends on when they are allocated through the State Bond Commission and when the funds are expended.

The bill also authorizes Clean Water Fund (CWF) revenue bonds: (1) \$233.4 million in FY 12 and (2) \$238.4 million in FY 13. The principal and interest cost to bond \$233.4 million over a 20 year term, assuming a 5% interest rate, is \$356.0 million (comprised of \$122.6 million in interest and \$233.4 million in principal). The principal and interest cost to bond \$238.4 million over a 20 year term, assuming a 5% interest

rate, is \$363.5 million (comprised of \$125.1 million in interest and \$238.4 million in principal). The debt service cost for these bonds is paid primarily¹ with revenue from: (1) investment earnings on the reserves and assets held in the reserve fund required by statute, and (2) loan payments from towns who receive CWF low-interest loans. Based on current projected CWF expenditures for the biennium, it is expected that no General Fund subsidy will be needed for the revenue bonds authorized in the bill.

There will be a municipal revenue gain from the bond authorizations for the Small Town Economic Assistance Program (STEAP), the Local Capital Improvement Program (LoCIP), Inter-town Capital Equipment Purchase Incentive Program, school construction grants-in-aid, and the Clean Water Fund Program.

The Out Years

The fiscal impact identified above for the General Fund would continue into the future for the term of issuance of the bonds.

Sources: Office of the State Treasurer

sSB1006 / File No. 792

¹ A General Fund subsidy is only needed if the revenue from these two sources is not sufficient to cover the debt service on the CWF revenue bonds.

OLR Bill Analysis sSB 1006

AN ACT INCREASING CERTAIN BOND AUTHORIZATIONS FOR CAPITAL IMPROVEMENTS.

SUMMARY:

This bill authorizes up to \$790 million in new general obligation (GO) bonding for FY 12 and up to \$869.2 million for FY 13. The authorizations provide funding for various capital programs, including school construction, clean water, housing development and rehabilitation, and economic development projects; the Local Capital Improvement Program (LOCIP); and farmland preservation. The bill also establishes a new program to provide grants to allow municipalities, on or after October 1, 2011, to jointly buy or lease equipment or vehicles for required government functions or services. It authorizes up to \$10 million per year in GO bonds for FY 12 and FY 13 for the grants.

In addition to these GO bond authorizations, the bill authorizes up to \$471.78 million in revenue bonds over the two years for Clean Water Fund loans and reallocates \$16.4 million in funds under the Connecticut State University System's 2020 program (CSUS 2020) for a renovation and addition to the Buley Library at Southern Connecticut State University.

The bill cancels \$2.86 million in authorizations for a new laboratory for the Department of Public Health (DPH) and allows some the remaining funds to be reallocated for a lab addition for the Department of Energy and Environmental Protection (DEEP).

It merges three existing programs for energy efficiency and renewable energy projects in state buildings and transfers

responsibility for the programs to DEEP. Under current law, each program has a separate bond authorization, funds different types of projects and is administered by a different agency.

Finally, the bill makes various changes to existing bond authorizations, including expanding their purposes and transferring responsibility for projects to new agencies.

EFFECTIVE DATE: July 1, 2011, except for FY 13 bond authorizations, which take effect July 1, 2012.

§§ 1-6 & 11-14 — STATUTORY BOND AUTHORIZATIONS

The bill authorizes new bonding for FY 12 and FY 13 as shown in Table 1.

TABLE 1: STATUTORY BOND AUTHORIZATIONS FOR FY 12 & FY 13

§	Agency	Purpose/Fund	FY 12	FY 13
1	Office of Policy & Management	Economic and community	\$50,000,000	\$50,000,000
		development project grants (Urban Act)		
2	Office of Policy & Management	Small Town Economic Assistance Program (STEAP)	20,000,000	20,000,000
3	Office of Policy & Management	Capital Equipment Purchase Fund	0	22,900,000
4	Office of Policy & Management	Local Capital Improvement Program (LOCIP)	30,000,000	30,000,000
5	Construction Services (transferred from Education – see below)	School construction projects	523,000,000	584,000,000
6	Education	School construction interest subsidy grants	13,400,000	8,300,000
11	Agriculture	Farmland preservation	10,000,000	10,000,000
12	Environmental Protection	Clean Water Fund grants	92,600,000	94,000,000
13	Environmental Protection	Clean Water Fund loans (revenue bonds)	233,420,000	238,360,000
14	Economic and Community Development	Manufacturing Assistance Act	40,000,000	40,000,000
15	Office of Policy & Management	Intertown Capital Equipment Purchase Incentive Program	10,000,000	10,000,000

(see below)

§ 15 — INTERTOWN CAPITAL EQUIPMENT PURCHASE INCENTIVE PROGRAM

The bill establishes a new grant program, administered by the Office of Policy and Management (OPM) secretary, to help municipalities jointly buy or lease needed vehicles or capital equipment starting October 1, 2011.

The program provides grants to pay up to 50% or \$250,000, whichever is less, of the cost of buying or leasing (1) a maintenance vehicle, pickup truck, tractor, truck tractor, utility trailer, or similar vehicle or (2) any other equipment, including data processing equipment with a unit price under \$1,000, that has an expected remaining useful life of at least five years from the purchase or lease date. The municipality must use the vehicle or equipment to perform or deliver a required government function or service.

The bill requires the OPM secretary, by September 1, 2011, to develop guidelines establishing:

- 1. application and administrative procedures for the program;
- 2. criteria for spending the grants and for allocating them among the municipalities jointly acquiring the equipment; and
- 3. priorities for awarding grants, including limits on how often a municipality may apply, or the dollar amount it may receive, in a given time frame.

By October 1, 2011 and each year thereafter, the secretary must issue a notice that the grants are available and solicit proposals for funding. Eligible municipalities may apply for grants when and how the secretary prescribes. The secretary must review the applications and determine the vehicles or equipment to fund and the grant amounts in accordance with program guidelines.

§§ 25 & 28 — HOUSING DEVELOPMENT AND REHABILITATION PROJECTS

The bill authorizes \$1 million in new GO bonding to the Department of Economic and Community Development for housing development and rehabilitation projects. It also corrects the names of two New Britain housing development projects authorized under PA 10-44 to receive \$15 million from a 2001 authorization of \$21 million.

§ 7 — CSUS 2020 PROJECT

The bill adds a project at Southern Connecticut State University (SCSU), additions and renovations to Buley Library, to Phase I of the CSUS 2020 plan, a system-wide capital improvement program. It funds the project by reallocating \$16,386,585 in GO bond authorizations from two existing SCSU projects, (1) new academic laboratory building/parking garage (reduced by \$11,482,000) and (2) code compliance/infrastructure improvements (reduced by \$4,904,585). The reallocation allows SCSU to complete the Buley Library renovation and supports work on its new addition.

By law, the following types of revisions in the CSUS 2020 plan require both the formal approval of the CSUS Board of Trustees and passage of a public or special act: (1) the addition or deletion of a project or (2) an increase or decrease in the original project cost by 10% or more for projects estimated to cost \$1 million or less, or 5% or more for projects estimated to cost more than \$1 million, unless the change in cost is due solely to changes in material costs (CGS § 10a-91d(c)).

§§ 23, 24 & 27 — CANCELLATIONS AND REALLOCATION OF FUNDS FOR NEW PUBLIC HEALTH LABORATORY

The bill cancels parts of two authorizations for a new public health laboratory and allows reallocation of some of the funds. It:

1. cancels \$630,250 of a \$5 million authorization for development of a new DPH lab and allows the remaining \$4,369,750 funds to also be used for a laboratory addition for the DEEP in Windsor; and

2. cancels \$2,228,700 of an authorization for the DPH lab and related costs, reducing it from \$32,798,900 to \$30,570,200.

§§ 8-10 & 31 — RENEWABLE ENERGY AND ENERGY SERVICES PROJECTS IN STATE BUILDINGS

The bill merges three programs with separate GO bond authorizations for funding energy efficiency and renewable energy projects in state buildings. It does so by (1) requiring all three authorizations to fund the same types of projects; (2) transferring responsibility for all three programs to DEEP; and (3) eliminating separate program requirements (see Table 2).

TABLE 2: MERGING ENERGY PROGRAMS FOR STATE BUILDINGS

CURRENT	EXISTING	TYPES OF PROJECTS		ADMINISTER	RING AGENCY
PROGRA M	BOND AUTHORIZATIO N	Current Law	The Bill	Current Law	The Bill
Energy services projects in state buildings (§ 16a- 38m)	\$13,000,000	Energy efficiency measures under the strategic plan for improving energy managem ent in state buildings	Energy efficiency measures under the strategic plan for improving	Public Works	
Clean and Distributiv e Generati on Grant program (§§ 16a-	20,000,000	Clean and distributive generation projects in state buildings generated from a	energy manageme nt in state buildings Renewable energy	Public Utility Control	Energy and Environmen tal Protection
38n & 16a-38o)		Class I renewable energy source	Combined heat and power		
Renewab le energy or combine d heat and	\$10,000,000	Renewabl e energy or combined heat and power	(cogenerati on)	Connecti cut Innovatio ns, Inc.	

power	projects in		
projects	state		
(§ 16a-	buildings		
38p)			

The bill also eliminates requirements that:

- 1. bond funds be used only to pay the net project cost or the balance after applying available private incentives;
- 2. make the funds available through the Renewable Energy Investment Fund; and
- 3. the state building where the project is performed (a) be certified or in the process of being certified in the Leadership in Energy and Environmental Design (LEED) program, (b) be or in the process of becoming LEED silver-rated, or (c) have or be in the process of receiving a two-globe rating in the Green Globes USA design program.

CHANGES IN EXISTING AUTHORIZATIONS

§§ 5 & 16-22 — Transfer to New Agencies

To coincide with legislation consolidating state agencies (see BACKGROUND), the bill transfers responsibility for the new bond authorization for grants for local and regional school construction projects from the State Department of Education to the new Department of Construction Services (DCS) (see Table 1).

It also transfers responsibility for various existing bond authorizations for the following capital projects related to state buildings and property from the Department of Public Works (DPW) to DCS:

- 1. various security improvements;
- 2. removal or encapsulation of asbestos in state buildings;
- 3. infrastructure repairs and improvements, improvements to stateowned buildings and grounds, and preservation of unoccupied

buildings and grounds;

4. capital construction, improvements, repairs, renovations, and land acquisition at fire training schools; and

5. development and implementation of a plan to reduce the number of state-owned and -leased surface parking lots in Hartford.

Finally, it transfers responsibility for existing bond authorizations for the following information technology projects from the Department of Information Technology (DOIT) to the Department of Administrative Services (DAS):

- 1. development and implementation of the Connecticut Education Network,
- 2. planning and design for a state data center, and
- 3. development and implementation of systems to comply with the Health Insurance Portability and Accountability Act.

§ 29 — Department of Environmental Protection (DEP) Water Pollution Grants

The bill expands the permissible uses for a \$16 million authorization to DEP. Under current law, DEP may use these funds for grants to:

- 1. contain, remove, or mitigate identified hazardous waste disposal sites;
- 2. municipalities for new water mains to replace supply from contaminated wells;
- 3. identify, investigate, contain, remove, or mitigate industrial sites in urban areas;
- 4. municipalities to acquire land for public parks, recreational and water quality improvements, and water mains and water pollution control projects, including sewers; and

5. municipalities for providing potable water.

The bill allows DEP to also use the funds for grants to state and regional planning agencies and municipalities for water pollution control projects.

§ 30 — Authorization for Northwestern Community College

The bill expands the permissible uses of a 2009 authorization for replacing the Joyner Building at Northwestern Community College to include property acquisition as well as site remediation, design, and construction. The authorization remains unchanged at up to \$1,633,611.

BACKGROUND

Related Bills

sSB 909 (File 259), is identical to § 7 of this bill regarding the Buley Library project at Southern Connecticut State University.

sSB 1010 (File 739), dissolves DPW and establishes DCS for purposes of construction, construction management, and security management. It makes the DCS, rather than the DPW, commissioner responsible for constructing and developing state-owned buildings and real estate. The bill also dissolves DOIT and establishes it as a division within DAS.

sHB 6386 (File 394), creates the DEEP by merging DEP and the Department of Public Utility Control (DPUC). It also transfers various energy-related responsibilities and powers from OPM to DEEP.

Related Act

SB 1239, An Act Concerning the Budget for the Biennium Ending June 30, 2013, assumes (1) the transfer of authority over state-reimbursed school construction projects from the State Department of Education to DCS and (2) the consolidation of the DEP and the DPUC into a new DEEP. SB 1239 was passed by both houses and signed by the governor on May 4, 2011.

COMMITTEE ACTION

Finance, Revenue and Bonding Committee

Joint Favorable Substitute

Yea 52 Nay 0 (04/21/2011)